GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6664
ANSWERED ON:10.05.2002
PUBLIC SECTOR INSURANCE COMPANIES
THAAWAR CHAND GEHLOT

Will the Minister of FINANCE be pleased to state:

(a) the insurance companies working under the control of the Government of India and the nature of their insurance business;

(b) the company-wise details of turnover of said insurance companies during March, 2002;

(c) whether some insurance companies have been running in loss for the last three years;

(d) if so, the reasons therefor; and

(e) the steps being taken by the Government for making the loss making insurance companies viable?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a)&(b): The requisite information is as under:-

(Rupees in Crores)

Names of Corporations/Companies	Nature of business	Turnover during the year ending March,2002 (Provisional)
Life Insurance Corporation of India	Life Insurance	50,000.00 +
General Insurance Corporation of India	Reinsurance	2500.00
National Insurance Company Ltd.	General Insurance	2353.00
New India Assurance Co. Ltd.	General Insurance	3503.09
Oriental Insurance Company Ltd.	General Insurance	2461.81
United India Insurance Co. Ltd.	General Insurance	2672.48

+ Includes first year premium, renewal premium, premium from pension plans, P&GS business premium, Jeevan Suraksha premium.

(c): All the Companies have posted overall profits during the last three years.

(d): Does not arise.

(e): Even though the companies have posted overall profits during the past three years, yet several reform measures have been initiated by the public sector insurance companies to improve their performance. These, interalia, include emphasis on prudent underwriting practices, thrust on personal line business, upgradation and extensive use of information technology to improve customers` services, organisational restructuring by consolidation of offices and emphasis on reducing management expenses.